

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency

P.O. Box 2415

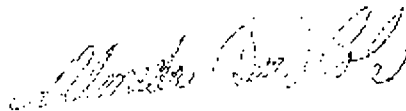
Washington, DC 20013-2415

Notice FC-78

**For:** State and County Offices

**Implementation of the New Guaranteed Loan System (GLS)**

**Approved by:** Acting Deputy Administrator, Farm Credit Programs



**1 Overview**

**A**

**Background**

Information Resource Management in St. Louis will soon replace the existing Guaranteed Loan Accounting System with an improved management information system. Implementation of the new GLS will begin in September 1996 and continue over the next few years.

The initial implementation will include changes in the guaranteed farm loan status report. The Agency has had problems obtaining timely information on guaranteed loan accounts. Information supplied on these status reports is necessary to monitor and manage the Agency's portfolio and determine contingent liability.

Transferring responsibility for status report collection to the County Offices has improved the lender response rate. We want to continue this improvement and increase the accuracy of the information entered into the system. Therefore, the initial implementation will include on-line entry of Form FSA 1980-41, Guaranteed Farm Loan Status Report (formerly form FmHA 1980-41).

The Finance Office in St. Louis will mail the report to the appropriate lenders by September 30, requesting the lenders complete the information as of September 30. Lenders will receive a semi-annual status report for each borrower to be completed as of March 31 and September 30 each year. The lender will also be requested to return the completed form to the appropriate FSA County Office for processing.

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**Disposal Date**

October 1, 1997

**Distribution**

State Offices; State Offices relay to County Offices

## 1 Overview

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### B

#### Purpose

This notice informs State and County Offices about:

- the implementation of GLS
  - changes to Guaranteed Farm Loan Status Report, Form FSA 1980-41
  - responsibilities under the new GLS.
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## 2 Implementation

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### A

#### County Office Responsibilities

County Offices shall:

- receive reports from lenders
- monitor lenders who have submitted reports

**Note:** The new GLS will provide a series of on-line reports and queries to help monitor and follow up on lenders' responses to the status request.

- contact lenders to follow up on reports not submitted
  - review the data for possible errors, for example, if the report shows the principal amount has increased since the last report on a term loan
  - enter the new data into GLS.
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### B

#### State Office Responsibilities

State Offices shall:

- ensure that all users requiring access to GLS have a valid ACF2 user ID
- monitor the County Offices' progress in receiving and entering status report data.

**Note:** The new GLS will provide a series of on-line reports and queries to help State Offices monitor and follow up on lenders' responses to the status request and ensure these reports are completed and processed in a timely manner.

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### C

#### Documentation

There will be no formal training for the initial implementation. User documentation was mailed the week of September 16.

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